



June 8, 2015

Mr. Robert Wiswesser, President  
Welder Training & Testing Institute  
729 East Highland Street  
Allentown, PA 18109-3253

Sent Via Email and  
UPS Tracking # 1ZA879640290304058

**RE: Final Program Review Determination**  
OPE ID: 01162200  
PRCN: 201340328429

Dear Mr. Wiswesser:

The U.S. Department of Education's (Department's) School Participation Division - Philadelphia issued a program review report on April 14, 2015 covering Welder Training & Testing Institute's (WTTI) administration of programs authorized pursuant to Title IV of the Higher Education Act of 1965, as amended, 20 U.S.C. §§ 1070 *et seq.* (Title IV, HEA programs), for the 2011-2012 and 2012-2013 award years. The institution's response was received on May 29, 2015.

The School Participation Division - Philadelphia has reviewed WTTI's response to the Program Review Report. A copy of the program review report (and related attachments) and WTTI's response are attached. Any supporting documentation submitted with the response is being retained by the Department and is available for inspection by WTTI upon request. Additionally, this Final Program Review Determination (FPRD), related attachments, and any supporting documentation may be subject to release under the Freedom of Information Act (FOIA) and can be provided to other oversight entities after this FPRD is issued.

WTTI's response to the program review report included an explanation of changes made to the financial aid student management system and screenshots of the newly created fields on the financial aid administration pages. The corrective actions taken by WTTI adequately address the requirements in the program review report. In addition, WTTI has provided assurances that the appropriate corrective actions have been taken to resolve and prevent future occurrences of all findings. Therefore, WTTI may consider the program review closed with no further action required.

**Federal Student Aid**

An OFFICE of the U.S. DEPARTMENT of EDUCATION  
School Participation Division - Philadelphia

The Wanamaker Building, 100 Penn Square East, Suite 511, Philadelphia, PA 19107

StudentAid.gov

Appendix A, Student Sample, contains personally identifiable information and will be emailed to WTTI as an encrypted WinZip file using Advanced Encryption Standard, 256-bit. The password needed to open the encrypted WinZip file(s) will be sent in a separate email.

Program records relating to the period covered by this program review must be retained until the later of: the resolution of the loan(s), claim(s) or expenditure(s) questioned in the program review [34 C.F.R. § 668.24(e)(3)(i)] or the end of the retention period applicable to the record [34 C.F.R. § 668.24(e)(1) and (e)(2)].

If you have any questions please call Katherine Bartges at (215)656-5953.

Sincerely,



Nancy Paula Gifford  
Division Director

Enclosures: Program Review Report  
WTTI's Written Response to the Program Review Report

cc: Ms. Sandi Fine, Financial Aid Administrator  
PA Department of Education  
Accrediting Commission of Career Schools and Colleges  
Department of Defense  
Department of Veterans Affairs  
Consumer Financial Protection Bureau

## **PROTECTION OF PERSONALLY IDENTIFIABLE INFORMATION**

Personally Identifiable Information (PII) being submitted to the Department must be protected. PII is any information about an individual which can be used to distinguish or trace an individual's identity (some examples are name, social security number, date and place of birth).

PII being submitted electronically must be encrypted. The data must be submitted in a .zip file encrypted with Advanced Encryption Standard (AES) encryption (256-bit is preferred). The Department uses WinZip. However, files created with other encryption software are also acceptable, provided that they are compatible with WinZip (Version 15.0) and are encrypted with AES encryption.

The Department must receive an access password to view the encrypted information. The password must be e-mailed separately from the encrypted data.

The password must be 12 characters in length and use at least three of the following:

- Upper case letter;
- Lower case letter;
- A number; and/or
- A special character.

A manifest must be included with the e-mail that lists the types of files being sent (a copy of the manifest must be retained by the sender).

Hard copy files and media containing PII must be:

- ✓ sent via a shipping method that can be tracked with signature required upon delivery
- ✓ double packaged in packaging that is approved by the shipping agent (FedEx, DHL, UPS, USPS)
- ✓ labeled with both the "To" and "From" addresses on both the inner and outer packages
- ✓ identified by a manifest included in the inner package that lists the types of files in the shipment (a copy of the manifest must be retained by the sender).

PII data cannot be sent via fax.

Prepared for

Welder Training & Testing Institute

OPE ID 01162200

PRCN 201340328429

Prepared by

U.S. Department of Education

Federal Student Aid

School Participation Division - Philadelphia

## Program Review Report

April 14, 2015

## Table of Contents

<b>A. Institutional Information.....</b>	<b>1</b>
<b>B. Scope of Review .....</b>	<b>2</b>
<b>C. Findings.....</b>	<b>2</b>
Finding # 1: Improper Certification of a Direct Subsidized Loan.....	2
Finding # 2: Federal Pell Grant Underawards .....	3
<b>D. Appendix A: Student Sample.....</b>	<b>4</b>

## **A. Institutional Information**

Welder Training & Testing Institute  
729 East Highland Street  
Allentown, PA 18109-3253

**Type:** Proprietary

**Highest Level of Offering:** Non-Degree 1 Year (900-1799 hours)

**Accrediting Agency:** Accrediting Commission of Career Schools and Colleges

**Current Student Enrollment:** 78, Fall 2012

**% of Students Receiving Title IV:** 73%, Fall 2012

### **Title IV Participation:**

#### **2011-2012**

	<b><u>Amount Disbursed</u></b>
Federal Pell Grant (Pell)	\$149,932
Federal Supplemental Opportunity Grant (FSEOG)	25,478
Federal Direct Loan	364,392
Federal Parent Loan for Undergraduate Students (PLUS)	26,397

### **Default Rate FFEL/DL:**

FY2011	15.3%
FY2010	10.4%
FY2009	14.5%

## **B. Scope of Review**

The U.S. Department of Education (the Department) conducted a program review at Welder Training & Testing Institute (WTTI) from September 16, 2013 to September 20, 2013. The review was conducted by Katherine Bartges and Heidi Kovalick.

The focus of the review was to determine WTTI's compliance with the statutes and federal regulations as they pertain to the institution's administration of Title IV programs. The review consisted of, but was not limited to, an examination of WTTI's policies and procedures regarding institutional and student eligibility, individual student financial aid and academic files, attendance records, student account ledgers, and fiscal records.

A sample of 30 files was identified for review from the 2011-2012 and 2012-2013 (year to date) award years. The files were selected randomly from a statistical sample of the total population receiving Title IV, HEA program funds for each award year. Appendix A lists the names and social security numbers of the students whose files were examined during the program review.

### **Disclaimer:**

Although the review was thorough, it cannot be assumed to be all-inclusive. The absence of statements in the report concerning WTTI's specific practices and procedures must not be construed as acceptance, approval, or endorsement of those specific practices and procedures. Furthermore, it does not relieve WTTI of its obligation to comply with all of the statutory or regulatory provisions governing the Title IV, HEA programs.

This report reflects initial findings. These findings are not final. The Department will issue its final findings in a subsequent Final Program Review Determination letter.

## **C. Findings**

During the review, two areas of noncompliance were noted. Findings of noncompliance are referenced to the applicable statutes and regulations and specify the actions to be taken by WTTI to bring operations of the financial aid programs into compliance with the statutes and regulations.

### **Finding # 1: Improper Certification of a Direct Subsidized Loan**

**Citation:** The Estimated Family Contribution (EFC) amount is determined from the information provided on the Free Application for Federal Student Aid (FAFSA), and represents the amount the student and his or her spouse and family are expected to contribute toward the applicant's cost of attendance. 34 C.F.R. § 668.2 (b) .

The amount of need of any student for financial assistance is equal to the student's cost of attendance (COA) minus the expected family contribution (EFC) minus the estimated financial assistance (EFA). Higher Education Act of 1965, Part F – Needs Analysis, Section 471



To qualify for a Federal Direct Subsidized Loan, a borrower must demonstrate financial need in accordance with title IV, part F of the Act. 34 C.F.R. § 685.200 (a)(2)(i)(A). As in the following formula:  $COA - EFC - EFA = \text{Need}$ .

A school may not originate a Direct Subsidized Loan for an amount that exceeds the student's need for that period. 34 C.F.R. § 685.301 (a)(4)(ii).

**Noncompliance:** WTTI improperly certified a Direct Subsidized Loan for one student.

For the 2012-2013 award year, student # 21's EFC of \$18,819 exceeded the student's COA of \$18,564. Consequently, the student did not have need for the Direct Subsidized Loan of \$3,500.00 certified by the school.

An institution's failure to determine a student's eligibility for need based aid causes increased expenses for the Department.

**Required Action:** WTTI must revise its policies and procedures to ensure that they are adequate to determine a student's eligibility for need based aid. A copy of the revised policies and procedures must be included with WTTI's response to this program review report.

## **Finding # 2: Federal Pell Grant Underawards**

**Citation:** A student is eligible to receive a Federal Pell Grant for the period of time required to complete his or her first undergraduate baccalaureate course of study. 34 C.F.R. § 690.6 (a). An institution must disburse a Federal Pell Grant to an eligible student who is otherwise qualified to receive that disbursement. 34 C.F.R. § 690.61 (a). The amount of a student's Pell grant for an academic year is based upon the student's Expected Family Contribution (EFC) and the payment and disbursement schedules published by the Secretary for each award year. 34 C.F.R. § 690.62 (a).

**Noncompliance:** WTTI failed to properly award and disburse Federal Pell Grant funds to two students. Specifically, WTTI failed to award student # 5 with \$2,334.00 in 2011-2012 Federal Pell Grant funds after he reenrolled at the institution to complete the remaining 606 hours of his program.

In addition, WTTI failed to pay the second disbursement of 2011-2012 Federal Pell funds to student # 4. The student completed his first payment period on August 16, 2011 and was eligible to receive a second disbursement of \$1,388.00 for the subsequent payment period.

An institution's failure to properly award and disburse Federal Pell Grant funds deprives students of funds to which they were entitled.

**Required Action:** WTTI must revise its policies and procedures for awarding and disbursing Federal Pell Grant funds to ensure that they are sufficient to prevent a recurrence of this finding.



A copy of the revised policies and procedures must be included with WTTI's response to this program review report.

**D. Appendix A: Student Sample.**

Appendix A (Student Sample) contains personally identifiable information and will be emailed to WTTI as an encrypted WinZip file using Advanced Encryption Standard, 256-bit. The password needed to open the encrypted WinZip file(s) will be sent in a separate email.